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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of Implementation of the Pay Telephone Reclassification and Compensation Provisions of the Telecommunications Act of 1996	)	CC Docket No. 96-128

COMMENTS OF THE AMERICAN PUBLIC COMMUNICATIONS COUNCIL ON U S WEST, INC.'S CEI PLAN

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SUMMARY

U S West's CEI plan does not contain enough information to enable the Commission and interested parties to tell whether its plan meets the requirements of the Payphone Orders and Computer III. Thus, the Commission should require U S West to refile its Plan and subject it to the same public commenting period as its initial filing. To the extent that information is provided, U S West does not comply with the Commission's CEI requirement.

First, U S West has not provided federal tariffs despite the Commission's explicit directive that

> any basic network services or unbundled features used by a LEC's operations to provide payphone services must be similarly available to independent payphone providers on a nondiscriminatory, tariffed basis. Those unbundled features or functions must be tariffed in the state and federal jurisdiction.

and that

> LECs must file with the Commission tariffs for unbundled features consistent with the requirements established in the Report and Order.

Only "the basic payphone line for smart and dumb payphones" is to be tariffed exclusively at the state level.

Further, U S West's state tariffs do not fully unbundle coin line features from the underlying line. It is thus difficult to determine with certainty the differences in rates for the "basic payphone line" and hence the rate for the coin line functionality. For example, the Commission must require U S West to provide single rates for answer supervision

service and screening service applicable to both COCOT lines and coin lines. The Commission must also require U S West to disclose its pricing methodologies for COCOT and coin line service, to ensure that they are nondiscriminatory and that there is no subsidy for U S West's payphones.

In addition to these tariffing issues, there are several issues that relate specifically to U S West's offering of coin lines. While U S West often offers coin line service "where available," U S West does not indicate where in fact coin line service is or is not available. U S West must disclose how it is providing payphone service in areas where coin lines are not available.

To the extent that U S West's coin lines do not offer subscriber specific rating for local calls, directory assistance and Directory Assistance Call Completion, its CEI offering is discriminatory.

U S West coin line tariffs also require operator assisted intraLATA and local calls to be routed to U S West. The Commission's Payphone Orders make clear that the subscriber has the right to choose the carrier for operator-assisted calls and that non-emergency 0- calls should be sent to the presubscribed OSP. Forcing the PSP to give up this right in order to obtain a coin line is discriminatory and further vitiates the utility of the coin line to the IPP industry.

It is feasible for U S West to offer a coin-line or coin-line equivalent service that is free from the above discriminations. Such a service is currently offered by Ameritech in Illinois under the name "ProfitMaster." U S West should be required to make a similar service available generally at the same rates under which it provides coin-line service to its own payphones.

In the area of service order processing, installation, maintenance and repair service, U S West does not make clear that its practices regarding maintenance and repair will be nondiscriminatory by explicitly stating the practice it will follow with respect to its existing base. The Commission should require U S West to clarify that it will not share personnel with its payphone division in providing service order processing, installation, maintenance and repair service.

U S West should be required to describe its line number assignment policies. U S West also does not address nondiscrimination in assignment of screening codes. Under the Commission's Payphone Orders, a "discrete" screening code is required to enable interexchange carriers to track calls for compensation. To the extent that U S West payphones are assigned a unique screening code, while independent payphones are provided a screening code that requires reference to an external database to ascertain that the originating line is a payphone, U S West's CEI offering is discriminatory. Assignment of a unique screening code only to coin lines would give U S West's payphones a tremendous advantage in the collection of per-call compensation, apparently eliminating any need for U S West's payphone operation to rely on the time consuming and error-prone LEC verification process. Accordingly, the Commission should require U S West to clarify that it will assign a unique screening code to IPP providers.

U S West does not address whether intraLATA operator services used by U S West will be part of U S West or remain part of the regulated service. U S West must specify what network operator functions support U S West and how they will be available on the same basis to independent payphone providers.

Finally, U S West does not meet the Commission's CEI requirements regarding CPNI and Semi-Public Payphones.

The Commission should direct U S West to refile its plan or amend it to comply with CEI requirements. The plan must then be made available for public comment for a period comparable to the comment period for the initial plan.

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COMMENTS OF THE
AMERICAN PUBLIC COMMUNICATIONS COUNCIL
ON U S WEST 'S CEI PLAN

Pursuant to the Commission's January 8, 1997 Public Notice, the American Public Communications Council ("APCC") submits these comments on the U S West, Inc. ("U S West") CEI Plan, filed by U S West on January 6, 1997.

DISCUSSION

U S West's comparably efficient interconnection ("CEI") plan lacks sufficient information so that the Commission (and interested parties) can evaluate whether the Commission's nondiscrimination requirements will be met.[1] U S West (like the other LECs) provides very little information in its CEI plan, which hinder(s) the evaluation of its

[1] As one example, U S West's plan does not specify whether it will provide signaling information tones ("SIT"). In the absence of true answer supervision, SIT must be provided to IPP providers because if SIT do not precede operator intercept messages, the operator intercept messages are likely to be incorrectly treated as completed calls.

CEI plan by interested public commenters and the Commission. As addressed below, the Commission should require U S West to refile its CEI plan and to provide all information required to fully assess all CEI equal access parameters and nonstructural safeguards for the provision of payphone services.[2]

Moreover, in the event that U S West provides ***additional information*** in its reply, as BellSouth and Ameritech did with their replies after withholding it from their initial CEI submissions, then the Commission should permit interested parties the same opportunity to review it and comment on it that was provided for the initial filing. Otherwise U S West will have effectively evaded the Commission's requirement that the CEI plans be subject to public comment.

To the extent that U S West does provide information, in numerous instances U S West's CEI Plan fails to comply with the CEI equal access parameters and nonstructural safeguards. These deficiencies are addressed below.

A LEC must provide basic network services and unbundled functions used by its payphone operations to IPP providers on a "comparably efficient" and "nondiscriminatory" basis. Comparably efficient interconnection requirements are not met simply because a LEC provides the same tariffed services that the LEC uses for its own payphone operations. These basic network services and unbundled functions must be available to IPP providers

[2] Implementation of the Pay Telephone Reclassification and Compensation Provisions of the Telecommunications Act of 1996, CC Docket No. 96-128, Notice of Proposed Rulemaking, 11 FCC Rcd 6716 (1996), Report and Order, FCC 96-388, released September 20, 1996 ("Payphone Order"), Order on Reconsideration, FCC 96-439, released November 8, 1996 ("Reconsideration Order").

on a *functionally equivalent* basis; i.e., they must be *as useful* to IPP providers as they are to the LEC. The Commission must carefully evaluate the LEC's CEI plan to ensure that the LEC's offerings are *effectively* as well as *formally* nondiscriminatory.

As discussed below, the coin line service currently offered to IPP providers is not useful to IPP providers because it does not enable them to send operator-assisted calls to the OSP of their choice. Moreover, U S West does not indicate whether IPP providers can select rates for local calls or sent-paid intraLATA toll calls with U S West's coin line service. If U S West does not permit subscriber-selected call rating with its coin line service, then it is not useful to IPP providers.

For these reasons,[3] the Commission must be vigilant to ensure that the differential between "customer owned, coin operated telephone" ("COCOT") service

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[3] The LECs cannot satisfy either CEI or Section 276's competitive mandate by making available a single offering of network features and functionalities that forces any competitor who wants to use the network features and functionalities to compete by offering the same prices and the same package of the LECs payphone entity. Yet, as described below, that is what the U S West proposes to do. Under any circumstances, such an offering falls short of CEI and Section 276.

U S West's conduct is aggravated by the context in which this offering is made. Because IPP providers were denied any opportunity at all to interconnect to the coin line functions of the Bell Companies' networks, IPP providers were forced to invest in payphone instrument-based technology in order to provide the basic call rating functions and call control functions that are essential to the operation of a coin payphone. Thus, for many IPP providers it is impractical, at least in the near future, to subscribe to the coin line services that the LECs use for their own payphone operations. The IPP providers have already made substantial investment in instrument-implemented payphones and the necessary support for those instruments. Conversion to coin line service in the short run would effectively strand their investment in instrument-based technology. Unless the Commission is vigilant to ensure that the LECs do not undermine IPP providers until they can effectively choose between the central office based support now being made available and phone-based technology, the LECs will be able to extend their discriminatory practices.

charges and coin line service charges reflect true costs and are nondiscriminatory.[4] As addressed below, the Commission should require U S West to describe the methodologies it used to determine its rates for coin line and COCOT service. In fact, U S West's January 15, 1997 Tariff Transmittal No. 73 filing demonstrates the necessity for the Commission to carefully scrutinize U S West's rate structure. Workpaper 15 in the Description and Justification of that Tariff filing (set out in Attachment 1 hereto) shows that U S West's Answer Supervision-Line Side service and Customnet call screening service are grossly over-priced in excess of cost. For example, while U S West's direct cost of providing Answer Supervision-Line Side service is only $0.05 per line per month, US West proposes to charge $3.95, which is a 7,800% mark-up over direct cost. While U S West's cost of providing its Customnet call screening service is only $0.01 per line per month, U S West proposes to charge $5.00 per line per month -- *a 50,000% mark-up over direct cost.* Thus, the Commission should assess U S West's rate structure to determine if its rates for COCOT service are also grossly inflated beyond its cost.

To the extent that U S West has structured tariffs to provide an undue rate advantage to users of coin line service -- which as discussed above, will be predominantly U S West payphones for the foreseeable future -- its CEI plan is effectively discriminatory and must be rejected for that reason alone.

Moreover, U S West also must be required to state in its CEI plan how many of its payphones in each jurisdiction are subscribed to COCOT service and how many are

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[4] In U S West tariffs, "COCOT" service is called "Basic Public Access Line (PAL) Service." Coin line service is called "Smart PAL Service."

subscribed to coin line service. This information is essential in order to understand the manner in which U S West intends to provide payphone service and the extent of any discriminatory impact resulting from improper tariff structures and charges. In order for the Commission to effectively determine whether U S West's CEI Plan has eliminated subsidies and discrimination, the Commission needs to know the extent to which U S West continues to rely on network services that are not effectively available to independent providers.

I. TARIFFED "COCOT" AND "COIN LINE" SERVICES

A. The Plan Does Not Include Federal Tariffs For Coin Line Features

A basic CEI requirement is that the LEC must file copies of applicable federal tariffs with its CEI plan. The Reconsideration Order unequivocally requires that:

> any basic network services or unbundled features used by a LEC's operations to provide payphone services must be similarly available to independent payphone providers on a nondiscriminatory, tariffed basis. Those unbundled features or functions must be tariffed in the state and federal jurisdiction.

Reconsideration Order, ¶ 162 (emphasis added). In the next paragraph, the Reconsideration Order states:

> LECs must file with the Commission tariffs for unbundled features consistent with the requirements established in the Report and Order.

The only service that LECs are not required to tariff at the federal level is "the basic payphone line for smart and dumb payphones." Reconsideration Order, ¶ 163. U S West's plan clearly cannot be approved until it has filed all required federal tariffs.

B. U S West's State Tariffs Are Incomplete And Fail To Unbundle Coin Line Features From The Basic Payphone Line

As discussed above, the Commission's Order on Reconsideration made clear that "any basic network services or unbundled features used by a LEC's operations to provide payphone services must be similarly available to independent payphone providers on a nondiscriminatory, tariffed basis" at the state and federal levels, while "the basic payphone line" is to be unbundled and tariffed at the state level only. Reconsideration Order, ¶ 162. U S West has not submitted complete copies of tariff provisions applicable to PSPs in any state. The illustrative coin line tariff that U S West provides instead of any actual state tariffs or tariff filing contains no prices for coin line services. Therefore, it is impossible to determine whether U S West is charging cost-based prices for its coin line services, applying the same methodologies to coin line and COCOT service, and otherwise pricing its coin line service in compliance with requirements of the Payphone Order. Further the sample tariff excerpts that U S West does provide regarding various services offered to PSPs do not permit any effective analysis of the overall charges for the services and service elements provided to PSPs.

U S West should be required to tariff "basic payphone lines" for its COCOT and coin line services, and separately tariff the features or functionalities used with the basic lines. For example, U S West's coin signaling, pay-per-call blocking, call screening and operator services, see, e.g., U S West Illustrative Exchange and Network Services Tariff, Sec. 5, at 1, should each be tariffed separately, as U S West separately tariffs its Customnet, Billed Number Screening, Blocking for 10XXX1+/10XXX011+ and Answer Supervision-Line Side services, see, e.g., Access Service Tariff F.C.C. No. 5, at 13-41.9 - 13-41.11. Moreover, U S West should price these unbundled elements at the same rate whether they are used with COCOT or coin lines. However, U S West has failed to meet these requirements.

The tariff information does not indicate that U S West has tariffed "the basic payphone line" separately from coin line features. As a result, even with complete tariffs it would be impossible to determine whether subsidies and discrimination between COCOT line services and coin line services have been eliminated, and whether U S West's "basic payphone line" is tariffed at cost-based rates as the Payphone Orders require. Reconsideration Order at ¶ 163.

In short, because the "basic payphone line" is not subject to a unitary rate, and network features used with U S West's COCOT and coin lines are not unbundled, U S West has not met the Commission's CEI requirements. Accordingly, the Commission should reject U S West's CEI plan and require U S West to comply with the Commission's unbundling requirements.

To some extent, APCC has been able to obtain additional U S West tariffs and has determined that U S West's COCOT rates are disproportionately high, and thus discriminatory, vis-a-vis coin line rates, as addressed below.[5]

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[5] As discussed in the comments filed by the Arizona Payphone Association, Colorado Payphone Association, Minnesota Independent Payphone Association and Northwest Payphone Association, in at least one state, Washington, U S West has priced its (Footnote continued)

C. U S West Must Be Required To Disclose Its Methodology For Pricing COCOT Lines And Coin Lines

U S West's January 15, 1997 Tariff Transmittal No. 73 also demonstrates that U S West is not pricing its COCOT services anywhere near cost. U S West *admits* that its Answer Supervision-Line Side service, and its Customnet call screening service, with a price of $5.00 per month and a direct cost of $0.01 per month, are priced far in excess of direct cost. U S West only charges separately for these functions when they are ordered with COCOT lines; the same types of functions are included at no cost with coin lines. It is particularly obvious from these examples that U S West is not pricing its COCOT and coin line features at cost-based rates, as the Payphone Order requires, and that U S West is employing disparate cost methodologies and rate structures that discriminate in favor of the coin line service traditionally used by U S West's own payphones.

The Commission must require U S West to unbundle these features (as well as all other features) from the "basic payphone line" for COCOT and coin line service and to charge the same rate for equivalent features whether they are provided with COCOT or coin line service. Further, the Commission must require U S West to disclose the rate methodologies used to develop its COCOT and coin line service charges, so that the Commission can ensure that the same pricing methodology was used for each service, and that there is no subsidy for the coin line service. If disparate pricing methodologies are

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(Footnote continued)
coin line service lower than its COCOT service. This is a dramatic indication of the abuses that result if Bell companies are allowed to continue bundling features with the basic payphone line and applying differing pricing methods to COCOT and coin line services.

used so that a lower "contribution" is provided from U S West's coin line rates than from its COCOT line rates, this would demonstrate that U S West is discriminating and providing a subsidy for its own payphone operation.

Under Section 276 of the Act, the Commission is required to ensure that all subsidies and discrimination in favor of Bell company payphones are eliminated. As the above examples demonstrate, satisfying the Commission's Section 276 obligations necessarily requires close scrutiny of U S West's rate levels for the basic services offered in connection with its COCOT and coin line services, especially since coin line services, at least for the near future, can be effectively used predominantly by U S West payphones only.[6]

D. Coin Line Issues

1. Availability of Coin Line Service

U S West provides coin line service only "subject to the availability of existing CO facilities and special operator equipped locations." See, e.g., Illustrative Exchange and Network Services Tariff, Sec. 5, at 1. U S West does not specify in its CEI plan to what extent coin line service is unavailable, or whether any payphones in its embedded base are located in areas where coin line service is "unavailable." U S West must be required to disclose in which areas coin line service is "unavailable" and how many, if any, payphones it has currently installed in such areas. Of course, to the extent that U S West has new or

[6] Such scrutiny is even more important to the extent that the coin line services are structured to prevent IPP providers from selecting their own rates and OSPs, as addressed below.

embedded payphones in such areas, it must be required to convert such payphones to COCOT service. Otherwise, U S West would be in the position of providing coin line service to itself while claiming that it is "unavailable" to IPP providers.

2. Subscriber-Selected Call Rating

As APCC, New Jersey Payphone Association ("NJPA"), and Georgia Public Communications Association ("GPCA") have previously argued, providing a coin line that rates calls only at the end user rates used by the LEC's own payphone division is patently discriminatory and spoils any utility the coin line service would otherwise have for IPP providers.[7]

U S West's Illustrative coin-line tariff says virtually nothing about rating of calls, except:

> The customer must insure that the telephone sets used with Smart PAL Service are capable of rating sent-paid local calls and are compatible with, and cause no harm to the Company's network.

U.S. West Illustrative Smart PALs Tariff at 3, § 5.5.7.B.14.c.

[7] See, e.g., Petition of NJPA for Partial Reconsideration and Clarification, filed October 21, 1996 in the proceeding leading to the Payphone Order at 3-7. (APCC will provide copies of this filing upon request.) IPP providers subscribing to such coin lines are effectively forced to adhere to the same rates charged by the LEC-affiliated payphone competitor. IPP providers are precluded from developing innovative rate structures such as "call anywhere in the United States for 25 cents per minute" -- an increasingly popular approach that has been shown to increase coin traffic at many payphones.

This cryptic statement leaves unanswered numerous questions that are critical to determining whether U S West's coin-line service offering has any utility to independent PSPs and whether it complies with Section 276.

First, U S West does not state how its coin line service will rate sent-paid intraLATA toll calls. Although other Bell companies have claimed it is not feasible to rate intraLATA toll calls at any rate other than the rate applicable to their own payphones, Southwestern Bell has indicated in its tariffs that it will indeed rate these calls at subscriber-selected rates. Thus it *is* technically feasible, and U S West must be required to permit subscriber-selected call rating with its coin line service.

Moreover, U S West's tariffs do not specify how local calls are rated. U S West does not even indicate whether it permits IPPs to use their mechanism payphones to set an initial rate for local calls. Nor does U S West make clear that it will provide network-based controls to monitor when the end user satisfies the initial rate for local calls, although presumably U S West programs its network to use its payphone division's preferred initial time period. Nor does U S West specify that it will program its network to an IPP's chosen over-time periods and corresponding over-time rates, although presumably U S West sets its network to its payphone division's chosen rates and timing for over-time periods.[8]

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[8] An example of an initial rate is $0.25 for the first 5 minutes. An example of an overtime rate is $0.05 for each additional 3 minute period after the initial 5 minute period. Ameritech, for example, provides coin lines that only permit IPPs to set the initial rate from their payphones, but require IPPs to use Ameritech's tariffed initial timing, overtime rates and overtime timing. <u>See</u> Ameritech's Reply Comments on its CEI Plan for Pay Telephone Services, filed January 17, 1997 in this Docket, at 8-9. This is not comparably efficient interconnection because the payphone provider is forced to use the Ameritech rate structure.

To meet CEI requirements, U S West must permit IPP providers to set the initial time period, the over-time periods, and *all* rates corresponding to these periods for local calls. In other words, IPP providers should not have to use the U S West payphone division's preferred local rates. Accordingly, the Commission should require U S West to clarify in its amended or re-filed CEI plan that payphone providers can set the initial and over-time rates and time periods for local calls, as well as selecting the rating for intraLATA toll calls.

As the Commission recognized in the Payphone Order, the purpose of Section 276 is to promote payphone competition, and a fundamental feature of a competitive market is price competition. The Commission deregulated local coin rates because it recognized that pricing flexibility is fundamental to the development of payphone competition. It would be utterly contrary to the purposes of Section 276 if Bell companies such as U S west are allowed to offer a "nondiscriminatory" coin line service that forces its subscribers to price payphone calls at the same rates charged at U S West's own payphones.

If subscribers cannot select the rates for intraLATA toll calls and local calls, and IPP providers subscribing to coin lines are forced to adhere to the same rates charged at U S West's payphones, then they are precluded from developing innovative rate structures such as "call anywhere in the United States for 25 cents per minute" -- an increasingly popular approach that has been shown to increase coin traffic at many payphones.

If U S West's coin line service only rates intraLATA sent-paid calls at U S West payphone rates, the fact that the rate is specified in a U S West tariff does not make the rate selection feature nondiscriminatory. The purpose of the rate is to apply to sent-paid *payphone* calls. To say that the rate is "selected" by U S West rather than its payphone service operation ("PSO") is simply an artifice to avoid CEI compliance. Since the PSO collects and keeps the charges, it would be transparently false to claim that the PSO is not responsible for deciding what the charges will be.

Likewise, U S West does not specify how directory assistance rates are set. Thus, U S West should clarify in its revised coin-line tariffs and its amended or re-filed CEI plan that payphone providers can select the rates charged for revised coin-line directory assistance.

3. Operator Service Provider ("OSP") Selection

U S West's Illustrative tariff provides that its coin-line service provides "Company operator services/systems for all 0-, 0+ and 1+ intraLATA toll calls, and 0+ local calls." Illustrative Exchange and Network Services Tariff, Sec. 5, Tariff at 1, § 5.5.7.A.1.

Section 276 provides that PSPs are entitled to select the OSP for intraLATA (including local) operator-assisted calls. Therefore, U S West's CEI plan is inconsistent with Section 276. Further, with respect to 0- calls, the Commission has stated that while states can require that 0- calls be routed to LECs for emergency purposes, when a 0- call is not an emergency call, the call should be sent to the OSP selected by the payphone service provider ("PSP"). Payphone Order, ¶259.

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Forcing a PSP to select U S West as its presubscribed OSP in order to obtain a coin line is discriminatory, anticompetitive, and further vitiates the utility of the coin line to the IPP industry. U S West should be required to refile its CEI plan with instructions to amend its tariffs to provide that all non-emergency operator assisted calls will be sent to the provider selected by the PSP .

* * *

U S West cannot reasonably claim that it is infeasible to allow coin line subscribers to select the rate for sent-paid intraLATA and timed local calls and to select their presubscribed OSP. For example, as discussed in the filings of NJPA and GPCA in the proceeding leading to the Payphone Order, Ameritech currently provides all these capabilities through its ProfitMaster service in Illinois, which provides the coin rating and coin control functions that characterize coin line service, and is thus the functional equivalent of coin line service.[9]

II. SERVICE ORDER PROCESSING, INSTALLATION, MAINTENANCE AND REPAIR SERVICE

With respect to the procedures U S West will follow regarding service order processing, installation, maintenance and repair service, U S West provides some useful information, but still leaves many questions unanswered. For example, U S West claims that its installation, maintenance and repair procedures are designed to be "mechanized" and describes in some detail the mechanical and automated aspects of its service order

9 Furthermore, Southwestern Bell's coin line tariffs provide that subscribers can select the rates for sent-paid intraLATA calls.

processing system. The Plan then states that "U S West Public Services and IPPs will have comparable access to" the Service Order System and other Operation Support Systems. But the Plan does not indicate specifically the nature of the access that will be permitted to U S West Public Services personnel. For example, will Public Service personnel be allowed to enter orders directly into the Service Order System? If so, will independent providers also have that ability? How will such direct access by managed? Will Public Services personnel have computer terminals in their offices that can directly access the Service Order System? If so, what "comparable" access will be provided to independent PSPs?

U S West does not address service ordering procedures involved when a location provider changes a U S West payphone division payphone to an IPP payphone, or when an IPP provider payphone becomes a U S West payphone division payphone. U S West must specify its procedures so that the Commission and interested parties can assess whether service orders are treated equally in this context.

This is especially important where changes of ownership are involved. For example, if a location provider enters into a contract with U S West's payphone division, and a contract is in place between an IPP provider and the previous user, what procedures does U S West follow to determine who is the location providers of record for purposes of authorizing and/or ordering service from U S West's perspective a a provider of local exchange service? On the other hand, what procedures are followed if the positions are reversed, and the location provider enters into a contract with an IPP, and a contract is in place between the previous owner and U S West's payphone division? U S West should specify the procedures it will use to resolve in a nondiscriminatory fashion the conflicts that arise in this context, and to ensure that no undue preferences are given to U S West's payphone division.

U S West does not specify in detail the procedures to ensure that unfair marketing practices will not be employed by Southwestern Bell and its payphone division when payphones are replaced. For example, U S West's service ordering procedures must specify that U S West's payphone division is not notified when a new service order is placed for an IPP payphone.

Further, U S West's plan does not state how maintenance and repairs will be handled for the installed base, where no network interface has yet been installed. Even though no interface may have been installed yet, a demarcation point can and should be identified to determine at what point wire maintenance should be charged separately to U S West's payphone division as "inside wire" maintenance and at what point wire maintenance may be included as part of the tariffed access service.[10] U S West should be required to amend or re-file its plan to state its specific practices with respect to the demarcation point.

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[10] Some Bell companies appear to take the position that by grandfathering existing payphones, the Commission has relieved them of any requirement to allocate wire maintenance costs for such payphones to have regulated systems. BellSouth Reply, filed January 15, 1997 in CC Docket No. 96-128 at 27. The Commission grandfathered the location of existing LEC payphones, citing the cost and difficulty of moving existing payphones. See Payphone Order, ¶ 151. But the Commission did not authorize LECs to fail to identify a nondiscriminatory, nonsubsidizing method of determining which wire maintenance costs should be allocated to regulated or deregulated operations.

Further, U S West does not state whether U S West will share personnel between its regulated operations and its payphone division.[11] To the extent that personnel sharing takes place, especially in the areas of service order processing, installation, maintenance and repair, it is far more difficult to prevent discrimination by a Bell company in favor of its payphone operation. For example, if some of U S West's Service Order System employees are also assigned to work for U S West Public Services, it is extremely difficult to imagine how U S West could manage to provide "comparable access" to the Service Order System for independent PSPs.

On the other hand, if U S West chooses to share personnel, then it must describe in detail the specific steps it will follow to ensure there will be no discrimination against IPPs, and no preferential treatment of Southwestern Bell's payphone division, in the provision of service ordering, installation, maintenance and repair.

In short, U S West must be required to refile its CEI Plan with a more detailed description of the order processing, installation, maintenance and repair procedures it will follow regarding services for its own payphones.

III. NUMBERS AND SCREENING CODES

A. Number Assignments

The Payphone Order requires LECs to be nondiscriminatory in assignment of line numbers to payphones. Payphone Order, ¶ 149. Assignment to payphones of line numbers in the 8000 to 9000 range provides a distinct advantage in the prevention of fraud

[11] In fact, for example, Ameritech has committed to not sharing personnel in these areas. See Ameritech CEI Plan at 9.

because they alert overseas operators to refrain from completing collect calls to such numbers.[12] As indicated by the attached letter from AT&T, IXCs frequently attempt to collect charges for incoming collect calls placed to payphones from overseas, even though the payphone is subscribed to billed number screening.

U S West's plan commendably states that "telephone numbers . . . are selected on a 'first-come, first-served' basis." CEI Plan at 10. However, the Plan does not address the reallocation of numbers to existing payphones. Numbers in the 8000 to 9000 range were made available only relatively recently to IPP providers.[13] By contrast, these numbers have been available to LEC payphones for many years. Consequently, APCC believes that 8000 and 9000 series numbers are assigned to a much higher percentage of the installed base of LEC payphones than the percentage they represent of the installed base of IPPs. U S West should be required to allocate the numbers assigned to the existing base of payphones, without charge, so that an equal percentage of LEC payphones and IPPs are assigned 8000 and 9000 series numbers. See Payphone Order, ¶ 149.

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12 On domestic calls, IXCs usually determine whether to complete collect calls by accessing LIDB and checking for the presence of billed number screening on the line. According to AT&T, it is not practical for overseas operators to access LIDB to determine the presence of billed number screening on a line to which a collect call is being placed.

13 While the Plan indicates that 8000-9000 services were assigned to IPP providers "[w]henever possible" as of 1992, it does not indicate how U S West determined when such assignment was "possible." For example, did IPP providers have the same priority as U S West's own payphones, or was there a pool of numbers reserved for U S West's own use?

B. Screening Codes

U S West's CEI Plan fails to provide detail on the types of screening service U S West will offer to independent and U S West payphones.

U S West has indicated that it will implement the Commission's OLS requirement by providing LIDB-based OLS rather than Flex ANI. See OLS Waiver Order, ¶ 3. With LIDB-based OLS, LECs continue to provide independent payphone service providers ("PSPs") using COCOT lines with the "07" code, which does not uniquely identify calls as payphone calls. To obtain such a unique identification, IXCs must arrange for access to LIDB information, which involves significant expense and/or delay. By contrast, LECs deploying LIDB-based OLS will continue to provide their own payphones, which use primarily "coin lines" with a "27" code that does uniquely identify calls to IXCs as payphone calls without any necessity to obtain additional information from LIDB.

While LIDB-based OLS may satisfy a LEC's pre-Telecommunications Act obligations, U S West provides IPP providers using COCOT lines with the "07" code, which does not immediately and uniquely identify calls as payphone calls, and by contrast, provides its own payphones, which use primarily "coin lines," with a "27" code, which does uniquely identify calls to IXCs as payphone calls, U S West violates the Commissions CEI requirements.

Prior to the Payphone Order, the Commission ordered LECs to provide an improved version of originating line screening ("OLS") that would enable IXCs to uniquely identify calls originating from IPP providers using "COCOT" lines. Policies and